

EXHIBIT 45

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IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re)
) Chapter 11
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LEHMAN BROTHERS) Case No.
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HOLDINGS INC., et al.,) 08-13555 (JMP)
)
) (Jointly Administered)
Debtors.)
)
)
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VIDEO DEPOSITION UPON ORAL EXAMINATION
of

SIR GEORGE IACOBESCU

On Tuesday, 18th June 2013

Taken at the offices of:
Weil Gotshal & Manges LLP,
110 Fetter Lane,
London EC4A 1AY,
England

Reported by: Richard Harper

<p style="text-align: right;">6</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. I gave depositions in one or two</p> <p>3 cases, but not of this nature.</p> <p>4 Q. All right. Are you familiar with</p> <p>5 US deposition procedure?</p> <p>6 A. No.</p> <p>7 Q. Okay. Have you ever given a</p> <p>8 deposition in the United States?</p> <p>9 A. No.</p> <p>10 Q. I am obviously here asking you</p> <p>11 questions. We have a court reporter. I should</p> <p>12 make every effort to speak one at a time, so that</p> <p>13 the court reporter is able to make a clear record.</p> <p>14 A. Thank you.</p> <p>15 Q. I am entitled to your best</p> <p>16 recollection. If at any time you need a break,</p> <p>17 just say so and, of course, we'll take one,</p> <p>18 probably about once an hour or so.</p> <p>19 You may consult with your counsel</p> <p>20 on matters of privilege and that's the only time</p> <p>21 you may consult while a question is pending.</p> <p>22 Other than that, I am entitled to your answer. If</p> <p>23 there is something about a question you don't</p> <p>24 understand or wish me to clarify it, let me know</p> <p>25 and I may do so. Do you understand that you are</p>	<p style="text-align: right;">8</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 the negotiation of that lease?</p> <p>3 A. I had -- I had involvement on that</p> <p>4 from the day the deal started with Lehman and --</p> <p>5 but I was not involved in the daily negotiation of</p> <p>6 the lease, but it followed the agreement for</p> <p>7 lease.</p> <p>8 Q. Can you put a time frame on that,</p> <p>9 on when your involvement first started?</p> <p>10 A. In 2000.</p> <p>11 Q. Okay. Were you -- and topic 2 is</p> <p>12 Schedule 4 to the lease including all</p> <p>13 communications and negotiations. Do you know what</p> <p>14 Schedule 4 to the lease is?</p> <p>15 A. Yes, I do.</p> <p>16 Q. And what is it?</p> <p>17 A. It is the indemnity that we</p> <p>18 received from LBHI.</p> <p>19 Q. The guarantee?</p> <p>20 A. Yes -- no, the indemnity.</p> <p>21 Q. What is the difference between a</p> <p>22 guarantee and an indemnity?</p> <p>23 A. I'm not -- I'm not legal and I do</p> <p>24 not want to pretend to have total legal</p> <p>25 understanding. The guarantee -- the indemnity for</p>
<p style="text-align: right;">7</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 testifying here not only in your individual</p> <p>3 capacity but as a representative of the claimants?</p> <p>4 A. Yes.</p> <p>5 Q. Okay and do you know the topics for</p> <p>6 which you have been designated?</p> <p>7 A. Yes.</p> <p>8 Q. Okay. Let's get exhibit 1. That's</p> <p>9 already been marked. We already had one</p> <p>10 deposition, so we are going to be using a couple</p> <p>11 of the same exhibits, again.</p> <p>12 THE COURT REPORTER: Does that need</p> <p>13 to be marked for him?</p> <p>14 Mr. ISAKOFF: No, this one's</p> <p>15 already been marked.</p> <p>16 THE COURT REPORTER: Okay.</p> <p>17 BY MR. ISAKOFF:</p> <p>18 Q. And if you'll turn to the third</p> <p>19 page, Schedule A, this is for the record, exhibit</p> <p>20 1 is the notice of deposition of Canary Wharf,</p> <p>21 lists a number of topics in Schedule A and you are</p> <p>22 designated for the first two.</p> <p>23 The first one is the lease dated</p> <p>24 March 16th 2005, among Canary Wharf, LBHI, LBL and</p> <p>25 others. What, if any, involvement did you have in</p>	<p style="text-align: right;">9</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 us was a primary obligation; that the lease and</p> <p>3 the rents will follow uninterrupted for whatever</p> <p>4 reason and the guarantee was a secondary -- it's a</p> <p>5 secondary instrument that backs up the covenant of</p> <p>6 the tenant.</p> <p>7 Q. What, if any, involvement did you</p> <p>8 have in the negotiation of Schedule 4?</p> <p>9 A. It's generally -- It generally</p> <p>10 followed my and my colleagues' instructions.</p> <p>11 Q. Okay. What, if anything, have you</p> <p>12 done to prepare for your testimony today?</p> <p>13 A. I went practically through a bunch</p> <p>14 of documents, abbreviated not -- I could not read</p> <p>15 all the documentation. There are probably several</p> <p>16 tomes of files, but I -- in the time I had, I just</p> <p>17 went quickly through the documents available and</p> <p>18 I met with our counsel yesterday to -- just to go</p> <p>19 through the headings.</p> <p>20 Q. Okay. How long did you spend with</p> <p>21 the documents?</p> <p>22 A. Probably a day, adding -- adding up</p> <p>23 all the hours, probably a full day.</p> <p>24 Q. Okay. How long did you spend with</p> <p>25 counsel?</p>

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<p style="text-align: right;">10</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. Probably -- that's probably the</p> <p>3 same day. I would say probably eight or nine</p> <p>4 hours.</p> <p>5 Q. So that's two days in total?</p> <p>6 A. No, it is a combination of time.</p> <p>7 Q. I understand. When you say you</p> <p>8 went through documents for a day and met with</p> <p>9 counsel for the day, is that the same single day?</p> <p>10 A. No, no. No, I'm -- I went through</p> <p>11 the documents on Saturday and I met with the</p> <p>12 counsel on Sunday.</p> <p>13 Q. Which counsel did you meet with?</p> <p>14 A. With the two gentlemen that are</p> <p>15 present here, with David Tulchin and</p> <p>16 Marc De Leeuw.</p> <p>17 Q. What, if anything, did you do</p> <p>18 specifically to prepare yourself with respect to</p> <p>19 topics 1 and 2, on page 3, of exhibit 1?</p> <p>20 A. Specifically, not. I just went</p> <p>21 through the whole pile of documentation that we</p> <p>22 had on the whole process.</p> <p>23 Q. Did you seek to question anybody</p> <p>24 who was involved in the negotiations of the lease</p> <p>25 or the guarantee?</p>	<p style="text-align: right;">12</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 MR. ISAKOFF: By the "guarantee",</p> <p>3 I am referring to Schedule 4 to the lease.</p> <p>4 MR. TULCHIN: Which he has referred</p> <p>5 to as an indemnity, so I object to the form.</p> <p>6 MR. ISAKOFF: Yeah, I would</p> <p>7 appreciate it, Mr. Tulchin, from the outset, if</p> <p>8 you would confine yourself to objection to form</p> <p>9 and not coach the witness with respect to any</p> <p>10 substance, no speaking objections, please.</p> <p>11 MR. TULCHIN: Sir, I did object to</p> <p>12 form and there is no coaching; there wasn't and</p> <p>13 won't be.</p> <p>14 MR. ISAKOFF: Thank you.</p> <p>15 A. I think my involvement was to see</p> <p>16 at the end of the contract when the lease was</p> <p>17 drawn, to see that it confirms to our</p> <p>18 instructions.</p> <p>19 BY MR. ISAKOFF:</p> <p>20 Q. Okay. Do you know whether there</p> <p>21 were any substantive negotiations over the terms</p> <p>22 of the guarantee?</p> <p>23 MR. TULCHIN: Same objection.</p> <p>24 A. I do not know exactly what took</p> <p>25 place between the lawyers but my assumption is</p>
<p style="text-align: right;">11</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. No. As a matter of fact, I was</p> <p>3 recommended by counsel to use my own memory and</p> <p>4 not try to guess from others.</p> <p>5 Q. Okay.</p> <p>6 MR. TULCHIN: Mr. Iacobescu,</p> <p>7 please, do not reveal communications that you had</p> <p>8 with counsel.</p> <p>9 A. Okay.</p> <p>10 MR. TULCHIN: Don't reveal the</p> <p>11 substance of any of them.</p> <p>12 BY MR. ISAKOFF:</p> <p>13 Q. What, if anything, did you do to</p> <p>14 determine what specific communications and</p> <p>15 negotiations there were, with respect to the</p> <p>16 guarantee, in which you were not personally</p> <p>17 involved?</p> <p>18 A. Could you repeat the question,</p> <p>19 please.</p> <p>20 Q. What, if anything, did you do to</p> <p>21 determine what specific communications and</p> <p>22 negotiations there were, with respect to the</p> <p>23 guarantee, in which you were not personally</p> <p>24 involved?</p> <p>25 MR. TULCHIN: Objection.</p>	<p style="text-align: right;">13</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 that all our instructions and the people on my</p> <p>3 side that participated followed the instructions</p> <p>4 that were given.</p> <p>5 BY MR. ISAKOFF:</p> <p>6 Q. Oh. Were there any -- was there a</p> <p>7 series of drafts that led to the final form of the</p> <p>8 guarantee as ultimately executed, or was it simply</p> <p>9 accepted as presented?</p> <p>10 MR. TULCHIN: Same objection.</p> <p>11 A. I do not know.</p> <p>12 BY MR. ISAKOFF:</p> <p>13 Q. Do you know whether there was any</p> <p>14 discussion between the negotiators of whether it</p> <p>15 was an indemnity or a guarantee?</p> <p>16 A. No, I don't know.</p> <p>17 Q. Let's, um -- have you had any</p> <p>18 conversations concerning Canary Wharf's claims</p> <p>19 against Lehman Brothers Holdings Inc. with anybody</p> <p>20 other than counsel?</p> <p>21 MR. TULCHIN: Ever?</p> <p>22 MR. ISAKOFF: Yes.</p> <p>23 A. We had discussions internally</p> <p>24 inside Canary Wharf.</p> <p>25 BY MR. ISAKOFF:</p>

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<p style="text-align: right;">18</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 BY MR. ISAKOFF:</p> <p>3 Q. Okay. What has been your</p> <p>4 involvement with Canary Wharf between 1988 and</p> <p>5 today?</p> <p>6 A. I was originally in charge with the</p> <p>7 construction and the construction budget. The</p> <p>8 company went in administration in 1991 and from</p> <p>9 1992 to 1995, I was one of the three board</p> <p>10 members. In 1995, when the company was reacquired</p> <p>11 by Paul Reichmann with a group of investors from</p> <p>12 New York and Prince Alwaleed, I became deputy</p> <p>13 chief executive and, since 1997, I am chief</p> <p>14 executive and, as of last year, I took also the</p> <p>15 role of chairman.</p> <p>16 Q. Are you aware -- first of all, the</p> <p>17 -- Well, let's just look at it.</p> <p>18 (Exhibit was marked for identification)</p> <p>19 Mr. Iacobescu, I am showing you what's been</p> <p>20 previously marked as exhibit 3, which is the</p> <p>21 Schedule 4 to the lease between Canary Wharf and</p> <p>22 LBL. It is the document I have been calling the</p> <p>23 guarantee that your counsel insists that it is an</p> <p>24 indemnity. Have you ever seen this document</p> <p>25 before?</p>	<p style="text-align: right;">20</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 just for future reference, as long as we are at</p> <p>3 the beginning here, it is Mr. Isakoff.</p> <p>4 MR. TULCHIN: I am sorry. I beg</p> <p>5 your pardon.</p> <p>6 MR. ISAKOFF: Not a problem. Pure</p> <p>7 guess work on anybody's part how to pronounce it.</p> <p>8 BY MR. ISAKOFF:</p> <p>9 Q. To your knowledge, has Canary Wharf</p> <p>10 ever made a claim on a document like exhibit 3,</p> <p>11 with respect to any of its other tenancies?</p> <p>12 A. I am hesitating, because the</p> <p>13 general answer would be no, but it is possible</p> <p>14 that about 12 years or 13 years ago, we had a</p> <p>15 small tenant that went bankrupt and we might have</p> <p>16 had a claim, but to the general question the</p> <p>17 answer is no.</p> <p>18 Q. Do you know as between Canary Wharf</p> <p>19 on one hand and LBHI, which is Lehman Brothers</p> <p>20 holdings Inc. on the other, who drafted what has</p> <p>21 become exhibit 3?</p> <p>22 A. We think it has been drafted back</p> <p>23 and forth between Clifford Chance and Lehman's</p> <p>24 lawyers and it's -- I know for sure that it's</p> <p>25 every time there was a draft, it went to New York</p>
<p style="text-align: right;">19</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. Yes.</p> <p>3 Q. And is this document substantially</p> <p>4 similar to other guarantees or indemnities, as you</p> <p>5 refer to it, in Canary Wharf leases?</p> <p>6 A. By and large, yes. We always ask</p> <p>7 the top company to be the surety of the tenant.</p> <p>8 Q. Okay. Are you aware of any</p> <p>9 substantive differences between exhibit 3 and</p> <p>10 other such documents in -- relating to Canary</p> <p>11 Wharf leases?</p> <p>12 A. I cannot say without reading them</p> <p>13 side by side.</p> <p>14 Q. Okay.</p> <p>15 A. But, I -- sorry.</p> <p>16 Q. I am just asking whether you are</p> <p>17 aware of any material difference?</p> <p>18 A. No.</p> <p>19 MR. TULCHIN: Wait until he</p> <p>20 finishes the question, please. As Mr. Isakoff</p> <p>21 said at the beginning, if there is, you know, sort</p> <p>22 of back and forth while the question is going, the</p> <p>23 court reporter won't get it all.</p> <p>24 A. Okay.</p> <p>25 MR. ISAKOFF: And, Mr. Tulchin,</p>	<p style="text-align: right;">21</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 to LBHI's approval.</p> <p>3 Q. Do you know whether there was more</p> <p>4 than one draft?</p> <p>5 A. No.</p> <p>6 Q. Do you know who did the first</p> <p>7 draft?</p> <p>8 A. Simply no.</p> <p>9 THE COURT REPORTER: I'm sorry?</p> <p>10 A. No.</p> <p>11 BY MR. ISAKOFF:</p> <p>12 Q. Is it fair to say that this is a</p> <p>13 Canary Wharf form, since it is similar to other</p> <p>14 such documents in Canary Wharf leases?</p> <p>15 A. Yes.</p> <p>16 MR. TULCHIN: Wait until he</p> <p>17 finishes the question, please.</p> <p>18 BY MR. ISAKOFF:</p> <p>19 Q. Is it fair to infer that Canary</p> <p>20 Wharf and its counsel did the first draft of this</p> <p>21 document for that reason?</p> <p>22 A. Yes.</p> <p>23 Q. Do you know whether there were any</p> <p>24 substantive changes that were even sought by LBHI</p> <p>25 with respect to that first draft?</p>

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<p style="text-align: right;">22</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. Not to my knowledge.</p> <p>3 Q. If you will turn, please, to the</p> <p>4 page of this document which is Bates stamped</p> <p>5 CW0011480, I am referring to the printed number at</p> <p>6 the bottom right; are you with me?</p> <p>7 A. Yes.</p> <p>8 Q. It starts with paragraph 7?</p> <p>9 A. Yes.</p> <p>10 Q. 7(a) speaks of certain events.</p> <p>11 Have you -- do you know whether Canary Wharf has</p> <p>12 ever previously been involved in a forfeiture of a</p> <p>13 lease?</p> <p>14 A. No.</p> <p>15 Q. Is that that you don't know, or</p> <p>16 that there has been none?</p> <p>17 A. It has been none.</p> <p>18 Q. Okay, this was the first one, the</p> <p>19 one on December 3, 2010?</p> <p>20 A. Yes.</p> <p>21 MR. TULCHIN: Wait until he</p> <p>22 finishes the question, please.</p> <p>23 BY MR. ISAKOFF:</p> <p>24 Q. And when I say December 3, 2010,</p> <p>25 that was the letter agreement between Canary Wharf</p>	<p style="text-align: right;">24</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. To Bear Stearns, where JP Morgan</p> <p>3 paid full price to the end of the lease, rent</p> <p>4 rates and service charge.</p> <p>5 BY MR. ISAKOFF:</p> <p>6 Q. So I take it in that circumstance</p> <p>7 there was no claim on the guarantee?</p> <p>8 A. Absolutely right.</p> <p>9 Q. Okay. Were there any other</p> <p>10 circumstances of involving a lease surrender?</p> <p>11 A. I do not know exactly.</p> <p>12 Q. If you will look at the portion of</p> <p>13 paragraph 7(a) that begins with the word "THEN" in</p> <p>14 all caps, it says: "Then the Surety shall if the</p> <p>15 Landlord by notice in writing given to the Surety</p> <p>16 within 180 days after such disclaimer or other</p> <p>17 event so requires except from and execute and</p> <p>18 deliver to the landlord a counterpart of a new</p> <p>19 lease." Do you see that?</p> <p>20 A. Yes.</p> <p>21 Q. To your knowledge, has Canary Wharf</p> <p>22 ever given such a notice in writing within 180</p> <p>23 days after the events referred to in paragraph</p> <p>24 7(a)?</p> <p>25 A. We were very much aware of that</p>
<p style="text-align: right;">23</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 and LBL calling for forfeiture on December 10,</p> <p>3 2010, correct?</p> <p>4 A. Correct, in principle. I do not</p> <p>5 know if the date was December 10.</p> <p>6 Q. All right, well, we'll have a</p> <p>7 chance to look. Has Canary Wharf been involved in</p> <p>8 a situation where there was a lease surrender by</p> <p>9 the tenant?</p> <p>10 A. Yes.</p> <p>11 Q. On how many occasions?</p> <p>12 A. Probably one or two small</p> <p>13 tenancies.</p> <p>14 Q. When?</p> <p>15 A. Actually, probably -- I don't</p> <p>16 recall exactly the dates.</p> <p>17 Q. Do you recall whether it was one or</p> <p>18 two?</p> <p>19 A. Yes, probably it was one or two.</p> <p>20 Q. Do you recall which of those it</p> <p>21 was?</p> <p>22 A. We had a surrender from JP Morgan</p> <p>23 on two floors that belonged to Bear Stearns.</p> <p>24 THE COURT REPORTER: Sorry, it</p> <p>25 belonged to?</p>	<p style="text-align: right;">25</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 clause and we have done the operational equivalent</p> <p>3 of that by asking our lawyers to ask LBHI's</p> <p>4 lawyers to confirm or not. That has been done</p> <p>5 prior and post the forfeiture and there is</p> <p>6 correspondence relating to that.</p> <p>7 Q. Let me ask the question, again. To</p> <p>8 your knowledge, has Canary Wharf ever served a</p> <p>9 notice in writing to the surety within 180 days</p> <p>10 after such disclaimer or other event to require to</p> <p>11 accept a new lease?</p> <p>12 MR. TULCHIN: Objection. It has</p> <p>13 been asked and answered. You can go ahead.</p> <p>14 A. I am going to have to repeat the</p> <p>15 same thing. We knew we were very much aware of</p> <p>16 the clause. We could -- we did not see the</p> <p>17 purpose of sending that kind of notice to a</p> <p>18 company that was in Chapter 11 but we have made</p> <p>19 every effort via our lawyers, both Clifford Chance</p> <p>20 and Sullivan & Cromwell to offer the lease and it</p> <p>21 has been rejected.</p> <p>22 Q. Did you serve a notice after the</p> <p>23 forfeiture?</p> <p>24 BY MR. ISAKOFF:</p> <p>25 Q. Did you receive a notice after the</p>

7 (Pages 22 to 25)

<p style="text-align: right;">34</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 sure that if they are to buy the building, they</p> <p>3 would not be in competition with LBHI and if LBHI</p> <p>4 were to take the building, that their agreement</p> <p>5 would be null and void.</p> <p>6 Q. My question, sir, was whether there</p> <p>7 had been any discussion or communication between</p> <p>8 anybody on behalf of JP Morgan, on one hand, and</p> <p>9 Canary Wharf, on the other, of serving a notice</p> <p>10 under section 7(a) of exhibit 3 at the time of the</p> <p>11 discussions between Clifford Chance, Sullivan and</p> <p>12 Cromwell and Weil Gotshal to which you've</p> <p>13 referred?</p> <p>14 A. Yes. JP Morgan were anxious that</p> <p>15 that notice not be served ----</p> <p>16 Q. And that was ----</p> <p>17 A. -- in order so we can agree the</p> <p>18 deal if there is a deal there.</p> <p>19 Q. Okay. So at the time when you were</p> <p>20 asking Weil Gotshal whether -- strike that. Is it</p> <p>21 not a fact that as of December 10, 2010, when the</p> <p>22 forfeiture took effect, JP Morgan had told Canary</p> <p>23 Wharf not to serve the notice under section 7(a)</p> <p>24 of exhibit 3?</p> <p>25 A. I don't want to exaggerate the pull</p>	<p style="text-align: right;">36</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Q. So is it fair to say that Canary</p> <p>3 Wharf, acting in its own interest, following the</p> <p>4 forfeiture on December 10, 2010 -- if you want</p> <p>5 I can show you the dates, so we can go again, so</p> <p>6 you can understand the question -- why don't we do</p> <p>7 that? I will withdraw that question. Let's look</p> <p>8 at the forfeiture letter of December.</p> <p>9 Mr. Iacobescu, I am showing you</p> <p>10 what has been previously marked as exhibit 20. It</p> <p>11 is an e-mail attaching what I have been referring</p> <p>12 to as the forfeiture letter dated December 3,</p> <p>13 2010. And if you need to go ahead but does this</p> <p>14 refresh your recollection that the forfeiture took</p> <p>15 effect on December 10, 2010? Look at the bottom</p> <p>16 of page 1 of the forfeiture letter.</p> <p>17 A. Is it December 10th, because I see</p> <p>18 December 3rd on it, sir?</p> <p>19 Q. Yeah, if you look at the bottom of</p> <p>20 the first page it says, "Further that we shall</p> <p>21 exercise that right", referring to forfeiture</p> <p>22 -- "before 11:59[pm] on 10 December 2010." Do you</p> <p>23 see that?</p> <p>24 A. Sorry, I'm not seeing it.</p> <p>25 Q. If you look at page Bate stamped</p>
<p style="text-align: right;">35</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 or the power of JP Morgan in that transaction. We</p> <p>3 were guided by our self-interest. There was no</p> <p>4 signed deal. There was no obligation with JP</p> <p>5 Morgan either on their side or on our side; so we</p> <p>6 followed what was good for the company. I repeat</p> <p>7 again, if LBHI, there is absolutely no rhyme nor</p> <p>8 reason in anybody, I should be fired if I would</p> <p>9 give away a £1 billion deal for the sake of a JP</p> <p>10 Morgan sale, and everybody that works for me. We</p> <p>11 are not taking from JP Morgan. It was one of the</p> <p>12 deals in waiting. They could have walked. We</p> <p>13 didn't no know that there was a deal with JP</p> <p>14 Morgan until December 19th. We didn't know they</p> <p>15 were going to follow. We had an aborted deal with</p> <p>16 building two buildings with them in Canary Wharf.</p> <p>17 So they could change. They had several</p> <p>18 alternatives on what to do. And there was nothing</p> <p>19 that would -- I think it was very clear, they said</p> <p>20 from day 1, "It is not binding we can change our</p> <p>21 mind" and so did we. If we had an opportunity to</p> <p>22 get an LBHI lease, that would be our Number 1</p> <p>23 value, because the duty was to the securitization.</p> <p>24 As you probably know, the building was in the</p> <p>25 securitization.</p>	<p style="text-align: right;">37</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 CW0010443. This is the letter that's dated</p> <p>3 December 3. At the bottom of the first page,</p> <p>4 there is a reference to when the right will be</p> <p>5 exercised to forfeit the lease. Do you see that?</p> <p>6 A. Yes.</p> <p>7 Q. Does this refresh your recollection</p> <p>8 that forfeiture took place on December 10, 2010?</p> <p>9 A. Yes, it refreshes my memory that it</p> <p>10 was signed on 3rd December and yes, that is</p> <p>11 correct. That is what it says.</p> <p>12 Q. So having in mind that you did not</p> <p>13 yet have a signed deal with JP Morgan on December</p> <p>14 10, 2010, is it, in fact, the case that it would</p> <p>15 have been against Canary Wharf's interest to serve</p> <p>16 LBHI under paragraph 7(a) of what we have been</p> <p>17 referring to as exhibit 3, because it might have</p> <p>18 interfered with the pending deal with JP Morgan?</p> <p>19 A. No, I do not think so.</p> <p>20 Q. Would it have interfered with the</p> <p>21 deal with JP Morgan if you'd served the notice</p> <p>22 under 7(a)?</p> <p>23 A. If we knew that there is interest</p> <p>24 from LBHI, we would have served the notice. If</p> <p>25 the response from -- on our questions from LBHI</p>

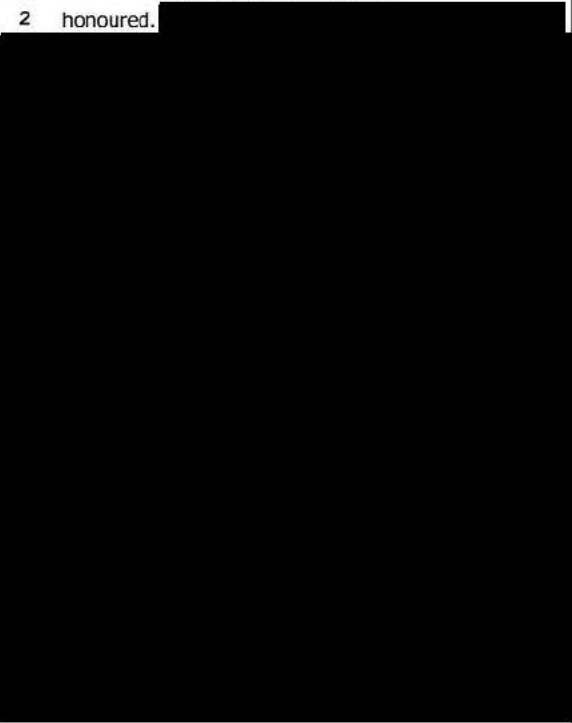
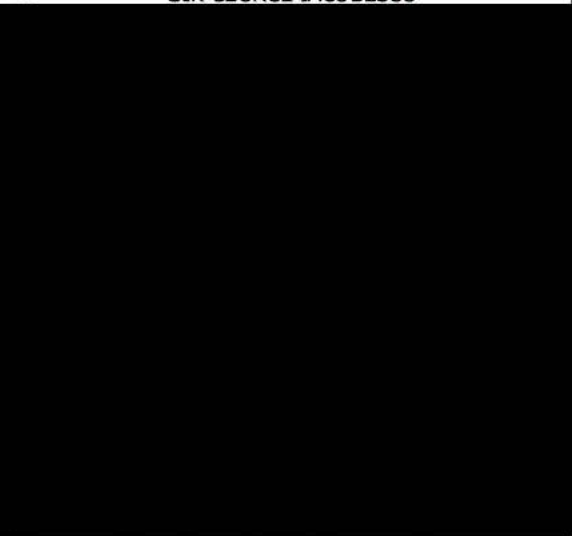
10 (Pages 34 to 37)

<p style="text-align: right;">38</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 was a positive response, we would have served the</p> <p>3 notice, I assure you.</p> <p>4 Q. Okay. Is it not, in fact, the case</p> <p>5 that JP Morgan didn't want you to serve the</p> <p>6 notice?</p> <p>7 A. That's correct.</p> <p>8 Q. And they even went so far as to</p> <p>9 include that in the final deal, correct?</p> <p>10 A. Correct.</p> <p>11 Q. And so isn't it a fact that on</p> <p>12 December 10, 2010, you had very much in mind that</p> <p>13 if you had served the notice, it would have fouled</p> <p>14 the deal with JP Morgan Chase?</p> <p>15 MR. TULCHIN: Asked and answered.</p> <p>16 Go ahead if you can.</p> <p>17 A. I think I did. I'm sorry. I think</p> <p>18 the answer is very clear. If LBHI wanted to take</p> <p>19 the lease, we would have accepted that gladly and</p> <p>20 if not, the normal logic is that a company in</p> <p>21 Chapter 11 would not be able to take a lease worth</p> <p>22 3 billion or more than 3 billion, close to £4</p> <p>23 billion in its length and that was strengthened by</p> <p>24 the fact that Sullivan and Cromwell disclosed the</p> <p>25 terms of the potential deal with JP Morgan. It's</p>	<p style="text-align: right;">40</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 opportunity in March 2010 when LBL stopped paying</p> <p>3 the rent to step in and we would have welcomed</p> <p>4 that.</p> <p>5 Q. My question to you is a little bit</p> <p>6 different. LBL was the tenant, correct?</p> <p>7 A. Correct.</p> <p>8 Q. At the point where you forfeited</p> <p>9 the lease, LBL ceased being the tenant, correct?</p> <p>10 A. Correct.</p> <p>11 Q. Did LBHI have the right to say that</p> <p>12 it was the tenant over Canary Wharf's objection?</p> <p>13 A. That opportunity was open to them.</p> <p>14 It was open to them. We asked the question and</p> <p>15 they did refuse it.</p> <p>16 Q. You are changing my question?</p> <p>17 A. No, I am not changing your</p> <p>18 question.</p> <p>19 Q. Let me ask the question again,</p> <p>20 because then you didn't understand it. My</p> <p>21 question is whether LBHI had a right over Canary</p> <p>22 Wharf's objection to be the new tenant once LBL</p> <p>23 ceased being the tenant?</p> <p>24 MR. TULCHIN: Question has been</p> <p>25 asked and answered.</p>
<p style="text-align: right;">39</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 probably the delta between the value of the</p> <p>3 building at the time, which was over 1 billion</p> <p>4 sold on the market versus a sale of 450 or 470</p> <p>5 that we assumed, or in my understanding, LBHI made</p> <p>6 the right judgment in saying, "We're not going to</p> <p>7 take an over-rented or over-valued building at</p> <p>8 this point, when we know that the market would not</p> <p>9 be more than half the value of it." It would have</p> <p>10 been suicidal. So, I think we followed the proper</p> <p>11 procedure, but clearly in everybody's mind is that</p> <p>12 we are dealing with a company in Chapter 11 and</p> <p>13 would they do it? The answer as expected was no.</p> <p>14 BY MR. ISAKOFF:</p> <p>15 Q. So if the answer was no, why was it</p> <p>16 that JP Morgan Chase, in the final deal, precluded</p> <p>17 you from serving the notice?</p> <p>18 A. I think it was purely their -- I am</p> <p>19 saying it with all due respect -- their paranoia</p> <p>20 not to have a deal that could be contested by</p> <p>21 somebody else. They just wanted to have surety of</p> <p>22 what they were getting.</p> <p>23 Q. Did LBHI, as surety, have a right</p> <p>24 to take over LBL's position on its own?</p> <p>25 A. I think they had plenty of</p>	<p style="text-align: right;">41</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. Canary Wharf has not objected. We</p> <p>3 did not object in any form or shape. We just took</p> <p>4 -- we just took for granted what we were told by</p> <p>5 the lawyers, which we assumed worked under the</p> <p>6 instructions from LBHI.</p> <p>7 BY MR. ISAKOFF:</p> <p>8 Q. I don't believe you've understood</p> <p>9 my question, so let me try one more time.</p> <p>10 A. Then I apologise.</p> <p>11 Q. That's fine. That's fine. My</p> <p>12 question to you is whether LBHI had the unilateral</p> <p>13 right to become the new tenant even if Canary</p> <p>14 Wharf did not want it to after LBL ceased being</p> <p>15 the tenant?</p> <p>16 MR. TULCHIN: Object to the form.</p> <p>17 If you are asking him for a legal opinion as</p> <p>18 opposed to his understanding.</p> <p>19 A. Yes, unfortunately, without</p> <p>20 coaching, it's not a legal opinion I can give.</p> <p>21 THE COURT REPORTER: It's not,</p> <p>22 sorry?</p> <p>23 A. It's not a legal opinion, but if</p> <p>24 you could help me, I would appreciate if you say</p> <p>25 so.</p>

11 (Pages 38 to 41)

<p style="text-align: right;">42</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 BY MR. ISAKOFF:</p> <p>3 Q. All right. Well, let's look if you</p> <p>4 have exhibit 3 in front of you, which is Schedule</p> <p>5 4 to the lease.</p> <p>6 A. Yes.</p> <p>7 Q. Okay, and you've got to the right</p> <p>8 page. If you look at paragraph 7(a), which speaks</p> <p>9 of what happens if there is a surrender or a</p> <p>10 forfeiture, do you see that?</p> <p>11 A. Yes.</p> <p>12 Q. It says: "THEN the Surety shall if</p> <p>13 the Landlord by notice in writing" -- etc. Does</p> <p>14 not that suggest to you that LBHI did not have the</p> <p>15 unilateral right to take over the tenancy -- as a</p> <p>16 layman?</p> <p>17 A. Well, you have to make assumptions</p> <p>18 that people think with two halves of their brains,</p> <p>19 because we did ask the question and the answer was</p> <p>20 no. So how could I even infer that somebody would</p> <p>21 want, with the other side of the brain, want to</p> <p>22 take the lease, and they were free to say so.</p> <p>23 Q. My question is different. My</p> <p>24 question is whether they had a right to do it if</p> <p>25 they wanted it and Canary Wharf did not want it.</p>	<p style="text-align: right;">44</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Clifford Chance, there were discussions with</p> <p>3 Sullivan and Cromwell and the decision was offer,</p> <p>4 go and ask, discuss if that is an acceptable way</p> <p>5 to do it.</p> <p>6 BY MR. ISAKOFF:</p> <p>7 Q. Do you know whether there were any</p> <p>8 discussions with any representatives of LBHI</p> <p>9 concerning a formal notice under section 7(a) of</p> <p>10 Schedule 4 of the lease?</p> <p>11 MR. TULCHIN: Same objection. You</p> <p>12 can answer.</p> <p>13 A. I was not in the discussions</p> <p>14 between Clifford Chance and Sullivan and Cromwell</p> <p>15 and Weil Gotshal, so I cannot speak about the</p> <p>16 discussions that took place there.</p> <p>17 BY MR. ISAKOFF:</p> <p>18 Q. So, it is fair to say, you just</p> <p>19 don't know?</p> <p>20 A. I don't know.</p> <p>21 Q. Do you know whether a notice, a</p> <p>22 formal notice under section 7(a) of Schedule 4 of</p> <p>23 the lease was ever drafted?</p> <p>24 MR. TULCHIN: Same objection. You</p> <p>25 can answer, Mr. Iacobescu.</p>
<p style="text-align: right;">43</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 I am not ----</p> <p>3 MR. TULCHIN: This is your</p> <p>4 argument. Go ahead if you can, Mr. Iacobescu.</p> <p>5 A. I can't answer that. I'm sorry,</p> <p>6 I can't answer that.</p> <p>7 MR. ISAKOFF: Why don't we take our</p> <p>8 first break.</p> <p>9 (Off the record at 10.21)</p> <p>10 (Back on the record at 10.31)</p> <p>11 BY MR. ISAKOFF:</p> <p>12 Q. Mr. Iacobescu, were there any</p> <p>13 discussions of which you were aware concerning</p> <p>14 whether or not to formally comply with section</p> <p>15 7(a) of the Schedule 4 of the lease and send the</p> <p>16 notice of reference, therein, following the</p> <p>17 forfeiture of the lease?</p> <p>18 MR. TULCHIN: Objection to the form</p> <p>19 and counsel's recharacterisation of the witness's</p> <p>20 prior answer.</p> <p>21 BY MR. ISAKOFF:</p> <p>22 Q. You may answer the question.</p> <p>23 MR. TULCHIN: You can answer,</p> <p>24 Mr. Iacobescu.</p> <p>25 A. Yes, there were discussions with</p>	<p style="text-align: right;">45</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. I don't know.</p> <p>3 BY MR. ISAKOFF:</p> <p>4 Q. You never saw one?</p> <p>5 A. I don't know -- no, I never saw it.</p> <p>6 Q. Were you aware of any discussions</p> <p>7 concerning the potential requirements of section</p> <p>8 365 of the United States Bankruptcy Code, the</p> <p>9 automatic stay, as it pertains to a notice of this</p> <p>10 sort that section 7(a) describes?</p> <p>11 A. No.</p> <p>12 Q. To your understanding as a layman,</p> <p>13 did LBHI have any right to prevent you, Canary</p> <p>14 Wharf, from re-letting or selling the premises to</p> <p>15 JP Morgan Chase once LBL was no longer the tenant?</p> <p>16 A. I do believe that they acquiesced</p> <p>17 to a sale to JP Morgan and it was not disclosed,</p> <p>18 because we were bound by confidentiality, but they</p> <p>19 had acquiesced to that transaction by refusing to</p> <p>20 take the lease.</p> <p>21 Q. My question to you is a little bit</p> <p>22 different, which is was there anything that LBHI</p> <p>23 -- did LBHI have any right to prevent you from</p> <p>24 re-letting or selling the premises to JP Morgan</p> <p>25 Chase?</p>

12 (Pages 42 to 45)

<p style="text-align: right;">46</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 MR. TULCHIN: Objection to the form</p> <p>3 to the extent that it calls for this witness to</p> <p>4 give a legal opinion.</p> <p>5 A. I think I gave my answer.</p> <p>6 BY MR. ISAKOFF:</p> <p>7 Q. Your answer was that you believe</p> <p>8 that LBHI had acquiesced and that was not my</p> <p>9 question, whether they had acquiesced. My</p> <p>10 question was whether LBHI had a right to prevent</p> <p>11 Canary Wharf from re-letting or selling the</p> <p>12 premises to somebody else once LBL was no longer</p> <p>13 the tenant; whether LBHI had the right to prevent</p> <p>14 Canary Wharf if it wanted?</p> <p>15 MR. TULCHIN: I object on two</p> <p>16 grounds. One, it has been asked and answered and</p> <p>17 two, it calls for this witness to give a legal</p> <p>18 opinion, which is improper. If you can answer,</p> <p>19 Mr. Iacobescu, go ahead.</p> <p>20 A. My only answer is that it was up to</p> <p>21 LBHI to know their rights.</p> <p>22 BY MR. ISAKOFF:</p> <p>23 Q. Are you aware that any motion was</p> <p>24 prepared for use in the United States seeking</p> <p>25 relief from the automatic stay, or some form of</p>	<p style="text-align: right;">48</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 honoured.</p> 
<p style="text-align: right;">47</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 relief asking LBHI to assume or reject anything</p> <p>3 relating to the LBL lease?</p> <p>4 A. No.</p> <p>5 Q. When, for the first time, did</p> <p>6 Canary Wharf begin having any discussions, at any</p> <p>7 time, with JP Morgan Chase concerning either</p> <p>8 release or a sale of the building, and the</p> <p>9 building I am referring to is the one that had LBL</p> <p>10 in it?</p> <p>11 A. It was probably in, I think, March</p> <p>12 or April 2010. I have seen Frank Bisignano, who</p> <p>13 was the chief operating officer of Lehman -- of</p> <p>14 Lehman, my apologies -- of JP Morgan, and we were</p> <p>15 discussing several alternatives. JP Morgan had</p> <p>16 one alternative -- we discussed all the</p> <p>17 alternatives. One alternative was for JP Morgan</p> <p>18 to continue the work on the river side at Canary</p> <p>19 Wharf -- have you been to Canary Wharf?</p> <p>20 Q. I have not.</p> <p>21 A. Can we offer you a free trip?</p> <p>22 Q. Yes, can I bring my wife?</p> <p>23 A. And grandson and children, because</p> <p>24 we will show you. Okay, you are more than welcome</p> <p>25 also if we could give you a tour there, we would</p>	<p style="text-align: right;">49</p> <p>1 SIR GEORGE IACOBESCU</p>  <p>20 Q. Okay. At that time, was there any</p> <p>21 default in the lease with LBL?</p> <p>22 A. Yes, LBL stopped paying rent, or we</p> <p>23 knew -- I cannot point exactly the days, but we</p> <p>24 have been told by LBL and end of March they</p> <p>25 stopped paying rent. So they defaulted on that</p>

13 (Pages 46 to 49)

<p style="text-align: right;">50</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 point.</p> <p>3 Q. Okay. Do you know whether the</p> <p>4 discussions that you were having with JP Morgan</p> <p>5 Chase concerning offering JP Morgan an interest in</p> <p>6 the building or a sale of the building, whether</p> <p>7 that predated the end of March?</p> <p>8 A. I don't know exactly, but we knew</p> <p>9 that -- can I add something to it?</p> <p>10 Q. Sure.</p> <p>11 A. We knew that Nomura's lease will</p> <p>12 come to an end and Nomura will move out of the</p> <p>13 building, because Nomura was a tenant for about</p> <p>14 400,000 square feet.</p> <p>15 Q. Is that 400,000 square feet?</p> <p>16 A. Nomura, yes. But we knew that</p> <p>17 their lease was -- we tried very, very hard to</p> <p>18 make a deal with Nomura to stay there, but then we</p> <p>19 realised that we were losing Nomura too, so we</p> <p>20 contemplated an empty building.</p> <p>21 Q. The effort to retain Nomura, did</p> <p>22 you realise that that was not going to succeed</p> <p>23 before or after LBL stopped paying rent at the end</p> <p>24 of March 2010?</p> <p>25 A. We tried -- we pretty much knew --</p>	<p style="text-align: right;">52</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Nomura came and offered that they would cover the</p> <p>3 rent. They would pay rent to us until they exit</p> <p>4 the building on September 30th. And their</p> <p>5 requirement was that they will pay the rent but</p> <p>6 they would ask us to go against LBL and the money</p> <p>7 that we paid Nomura was a refund of the delta of</p> <p>8 payments at the end of their stay, which was</p> <p>9 September 30th.</p> <p>10 Q. What do you mean by "delta"?</p> <p>11 A. Because Nomura paid an amount of</p> <p>12 money and LBL paid a little bit of money by March,</p> <p>13 so we netted off what Nomura has overpaid.</p> <p>14 Q. I am not following what the source</p> <p>15 of the overpayment was, overpaid on what?</p> <p>16 A. There was an overpayment between</p> <p>17 LBL and Nomura and we had no -- obviously, we</p> <p>18 shouldn't get more rent than the building should</p> <p>19 produce.</p> <p>20 Q. I see. So between what LBL paid</p> <p>21 and what Nomura paid, Canary Wharf had been</p> <p>22 overpaid by some amount?</p> <p>23 A. In a way in a way. It was a</p> <p>24 settlement with Nomura. It was a -- it wasn't</p> <p>25 exactly a number but it was a settlement with</p>
<p style="text-align: right;">51</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 I need to refresh my memory when did Nomura tell</p> <p>3 us that they would be leaving. But we made huge</p> <p>4 efforts, I cannot tell you how many meetings and</p> <p>5 offers and inducements we offered to Nomura to</p> <p>6 stay, but ultimately they got a much better deal</p> <p>7 somewhere else and they decided to leave.</p> <p>8 Q. Now, when -- was there some claim</p> <p>9 that Nomura had against Canary Wharf connected</p> <p>10 with the premises?</p> <p>11 A. It was not a claim, it was an</p> <p>12 accommodation. There were a lot of disagreements</p> <p>13 between Nomura and LBL and Nomura were very</p> <p>14 concerned that, once LBL stopped paying rent, they</p> <p>15 have no locus in the building. Their agreement,</p> <p>16 practically Nomura took place from LBL. Once LBL</p> <p>17 were in default, Nomura had no right to be in the</p> <p>18 building.</p> <p>19 Q. I guess I have seen something in</p> <p>20 the documents and I am just -- maybe you could</p> <p>21 help me out. There was something about Canary</p> <p>22 Wharf paying something in excess of £6.5 million</p> <p>23 to Nomura and I'm just asking what was that in</p> <p>24 connection with, to your recollection?</p> <p>25 A. That is -- what Nomura has done,</p>	<p style="text-align: right;">53</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Nomura not oblige us to sue LBL.</p> <p>3 (Exhibit 23 was marked for identification)</p> <p>4 Q. We have marked, as exhibit 23, a</p> <p>5 letter from Canary Wharf to JP Morgan Chase dated</p> <p>6 5 March, 2010 Bates Stamp CW10412 to 18. Have you</p> <p>7 ever seen this before, Mr. Iacobescu?</p> <p>8 A. Yes, since I signed it, of course,</p> <p>9 I have seen it.</p> <p>10 Q. That is your signature on page 7?</p> <p>11 A. Correct.</p> <p>12 Q. What is this?</p> <p>13 A. It's the correspondence with</p> <p>14 JP Morgan where we made them available data about</p> <p>15 the building on the Strand that we were pursuing</p> <p>16 there for them to purchase a building.</p> <p>17 Q. Does this refresh your recollection</p> <p>18 that discussions concerning their interest in</p> <p>19 acquiring 25 Bank street, which is the building</p> <p>20 that we have been discussing that LBL was in some</p> <p>21 time prior to March 5, 2010?</p> <p>22 A. Correct, yes.</p> <p>23 (Exhibit 24 was marked for identification)</p> <p>24 Q. We have marked as exhibit 24 an</p> <p>25 e-mail chain bearing Bates number CW19076 to 79.</p>

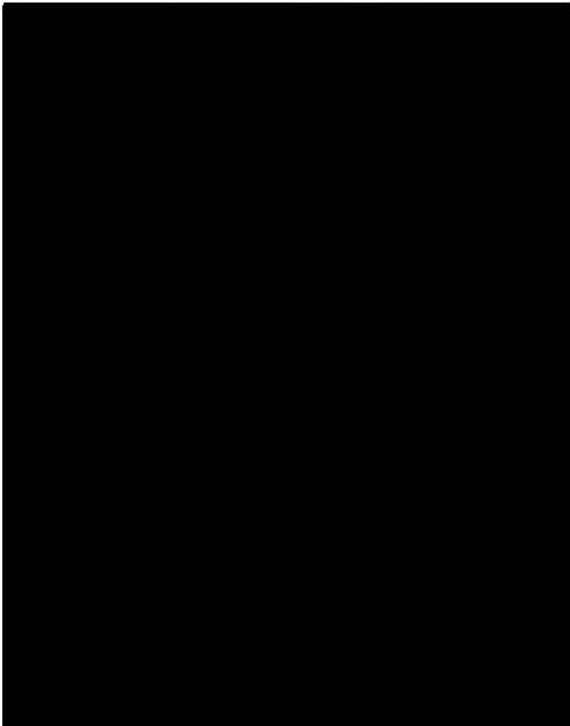
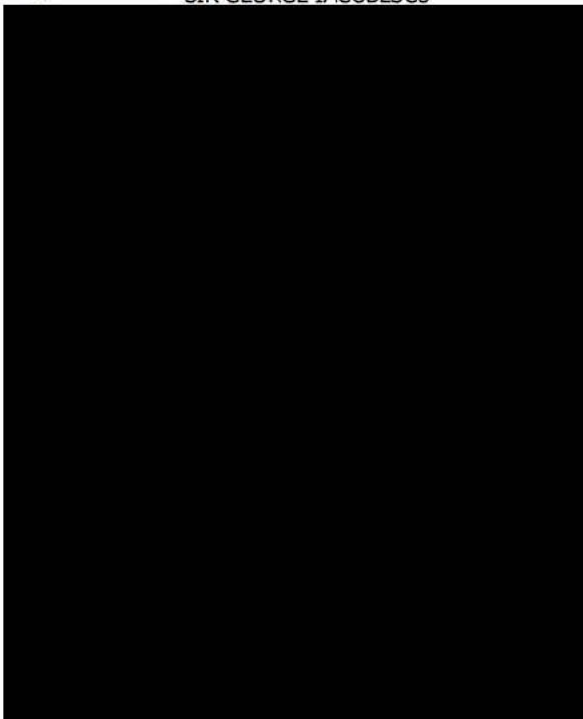
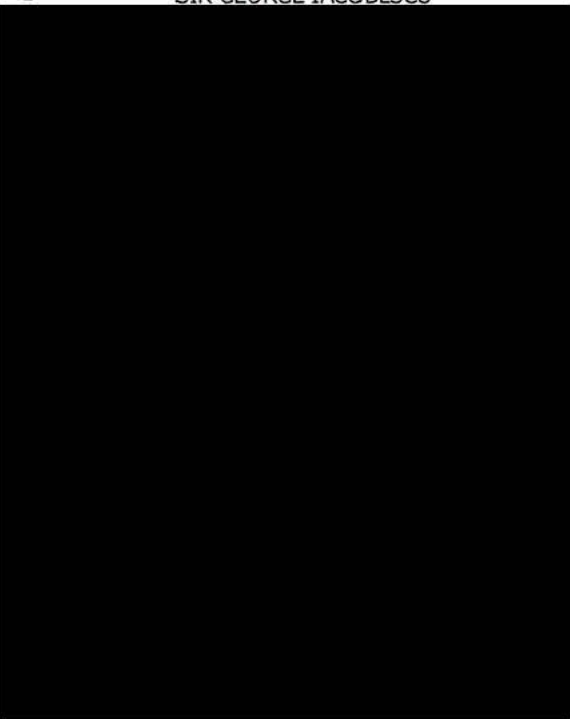
14 (Pages 50 to 53)

<p style="text-align: right;">90</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 £30 million.</p> <p>3 Q. Was it your agreement with LBL,</p> <p>4 ultimately, that the administration expense claim</p> <p>5 would be fixed at zero?</p> <p>6 A. They paid an amount of about</p> <p>7 1.5 million and we kept our claim as an unsecured</p> <p>8 creditor.</p> <p>9 THE COURT REPORTER: Credit or</p> <p>10 creditor?</p> <p>11 A. Creditor.</p> <p>12 THE COURT REPORTER: Thank you.</p> <p>13 BY MR. ISAKOFF:</p> <p>14 Q. So in exchange for £1.5 million,</p> <p>15 you agreed there would be no administration claim</p> <p>16 against LBL?</p> <p>17 A. Yes.</p> <p>18 Q. But if you had not done that, you</p> <p>19 had a £30 million unpaid rent claim as of</p> <p>20 September 30th 2010, is that correct?</p> <p>21 A. I think we have today about £20</p> <p>22 million as unsecured creditor's claim.</p> <p>23 Q. Okay but had you not settled the</p> <p>24 administration expense claim for £1.5m, you would</p> <p>25 have had an administration expense claim against</p>	<p style="text-align: right;">92</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 settlement, which LBL said "No, we are not going</p> <p>3 to agree to anything that's going to be zero if</p> <p>4 you want your building. If not, you can wait."</p> <p>5 That destroyed the attempt of having both the</p> <p>6 agreement with LBHI and getting our building via</p> <p>7 you surrender.</p> <p>8 Q. Were there any three-way</p> <p>9 negotiations in which a representatives of LBHI,</p> <p>10 LBL and Canary Wharf were in the same negotiation</p> <p>11 with respect to a three-way deal?</p> <p>12 A. We did ask for it and we could</p> <p>13 never achieve -- I am not informed but I assume</p> <p>14 that there were lots of discussions between LBHI</p> <p>15 and LBL but they never -- they wanted to meet all</p> <p>16 three of us.</p> <p>17 Q. Do you know whether there were any</p> <p>18 such discussions?</p> <p>19 A. Yes.</p> <p>20 Q. What is it that you know?</p> <p>21 A. We knew many times from Mike Jervis</p> <p>22 when he told us, "I am going to New York tomorrow</p> <p>23 to meet with LBHI." That's the extent that we</p> <p>24 know.</p> <p>25 (Exhibit 28 was marked for identification)</p>
<p style="text-align: right;">91</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 LBL for approximately £30 million for unpaid rent</p> <p>3 as of September 30th 2010, correct?</p> <p>4 A. Approximately, yes. I do not know</p> <p>5 exactly the number.</p> <p>6 Q. All right. Were there any</p> <p>7 negotiations following receipt of this draft</p> <p>8 surrender agreement that's attached as part of</p> <p>9 this exhibit concerning the terms of a surrender</p> <p>10 agreement?</p> <p>11 A. Probably, yes. Probably documents</p> <p>12 travelled back and forth but the crux of it was on</p> <p>13 30th September.</p> <p>14 Q. But, in fact, there was no final</p> <p>15 deal on a surrender, correct?</p> <p>16 A. No.</p> <p>17 Q. Why was that?</p> <p>18 A. There was no final deal on the</p> <p>19 surrender because somehow LBL and LBHI became</p> <p>20 inter-linked and as I mentioned before, LBHI,</p> <p>21 after we thought that we had an agreement, put a</p> <p>22 series of conditions, which were not acceptable to</p> <p>23 LBL. And the conditions specifically is that the,</p> <p>24 call it £250 million settlement with</p> <p>25 Daniel Ehrmann, has to be replicated in LBL</p>	<p style="text-align: right;">93</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Q. We have marked as exhibit 28 an</p> <p>3 e-mail chain Bates stamped CW 480 to 83. It</p> <p>4 starts at the bottom of page 482, with an e-mail</p> <p>5 from Sarah Dawson to Katie Bradford dated</p> <p>6 September 20, 2010. Do you see that,</p> <p>7 Mr. Iacobescu?</p> <p>8 A. Yes.</p> <p>9 Q. Who is Katie Bradford, if you know?</p> <p>10 A. She was one of the lawyers and</p> <p>11 I assume she was one of the litigation lawyers at</p> <p>12 Linklaters representing LBL.</p> <p>13 Q. And Sarah Dawson was at Clifford</p> <p>14 Chance representing Canary Wharf?</p> <p>15 A. Correct.</p> <p>16 Q. There is -- in her second paragraph</p> <p>17 she says: "We understand that our clients have</p> <p>18 been assured by Mike Jervis that any surrender</p> <p>19 would be structured in such a way as to preserve</p> <p>20 our client's claims against the US guarantor."</p> <p>21 Do you see that?</p> <p>22 A. Yes.</p> <p>23 Q. Do you know what that reference is?</p> <p>24 A. That reference is to discussions</p> <p>25 that we had with Mike Jervis where we made it</p>

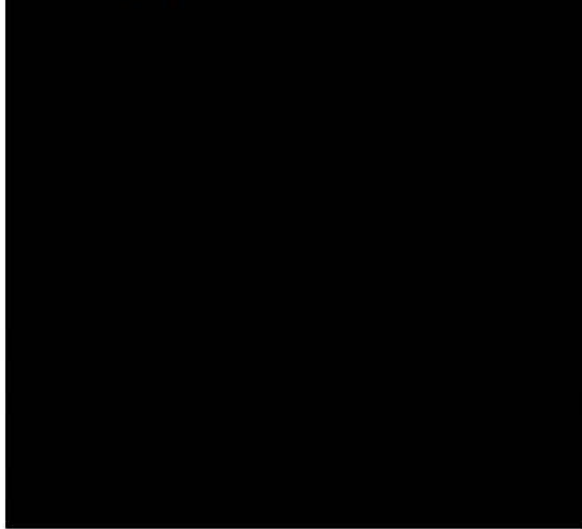
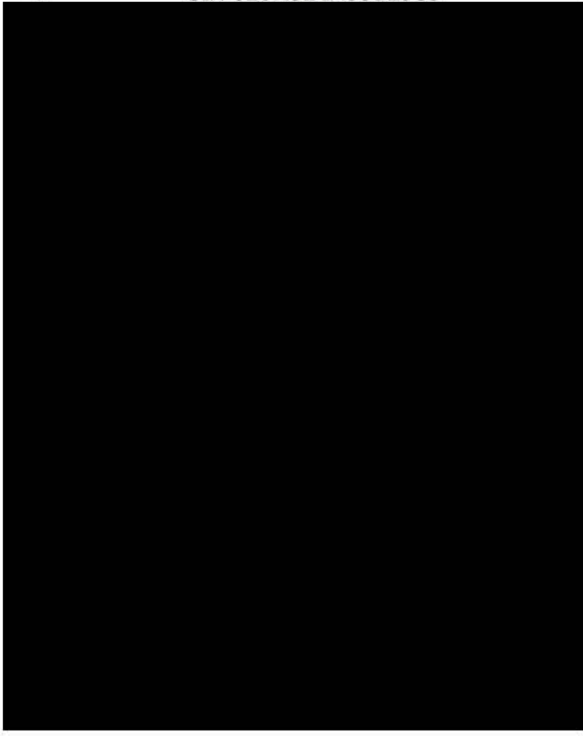
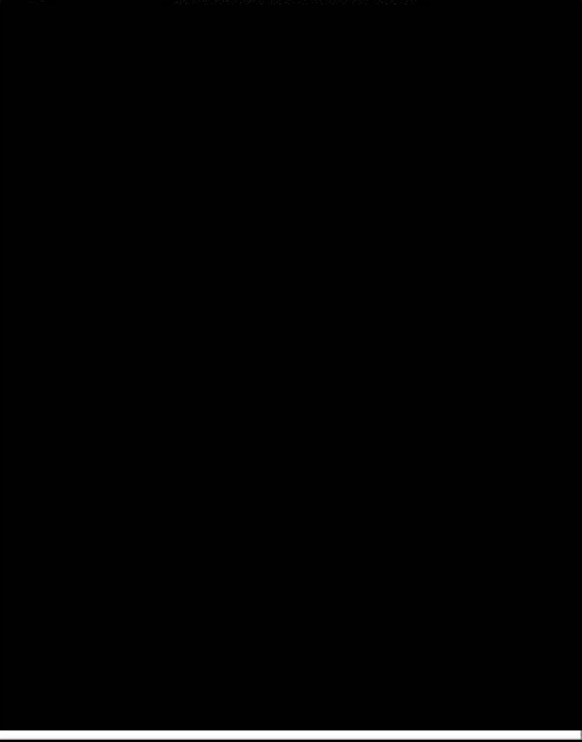
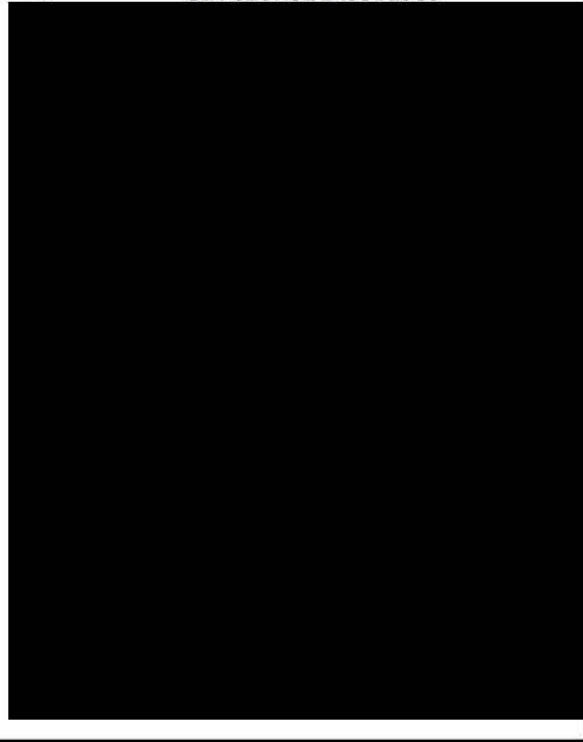
24 (Pages 90 to 93)

<p style="text-align: right;">110</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 to obtain Bond Holder Consent to the Surrender by</p> <p>3 end October." Did you ever get that consent?</p> <p>4 A. I think yes. I cannot guarantee</p> <p>5 that but I think yes, otherwise we could not do</p> <p>6 it.</p> <p>7 Q. It says: "...by end October (long</p> <p>8 stop date end November)." What does that mean?</p> <p>9 A. I am not sure in what context that</p> <p>10 the was discussed, but ----</p> <p>11 Q. What does "long stop date" mean?</p> <p>12 A. Long stop date, I mean, that was</p> <p>13 all linked with LBL saying, "We are not going to</p> <p>14 make any deal with you unless we know the agreed</p> <p>15 claim with LBHI". That is what they mentioned as</p> <p>16 one of the two sides' leverage. "We will not</p> <p>17 agree a surrender with you unless we know exactly</p> <p>18 the claim agreed with LBHI", which we didn't see</p> <p>19 originally as linked, but suddenly they became</p> <p>20 linked, they became inter-meshed.</p> <p>21 Q. What does the linkage between the</p> <p>22 claims against LBL and LBHI have to do with</p> <p>23 obtaining bond holder consent that you reference</p> <p>24 here in paragraph ----</p> <p>25 A. Nothing to do with that ----</p>	<p style="text-align: right;">112</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 the term "long stop date" means, in your parlance?</p> <p>3 A. I think it is purely, purely to</p> <p>4 reflect the date which both parties have given to</p> <p>5 come up with an agreement.</p> <p>6 Q. Is it a commitment by which, if it</p> <p>7 is not accomplished, the agreement is off?</p> <p>8 A. Could be. It could be. I do not</p> <p>9 know exactly. I don't know if the words here are</p> <p>10 purely the result of saying -- of LBL saying, "We</p> <p>11 need to resolve it", i.e. they were very anxious</p> <p>12 to do a surrender but they were very anxious to do</p> <p>13 a surrender only in the knowledge of what the LBHI</p> <p>14 settlement is and that there is a bond holder</p> <p>15 agreement.</p> <p>16 Q. Okay. In paragraph 4 it says: "We</p> <p>17 agree that our claim in the administration will be</p> <p>18 £0 and that we shall make no claim in respect of</p> <p>19 the period post 30 September 2010." What does</p> <p>20 that mean?</p> <p>21 A. I think exactly what it says.</p> <p>22 That, as an administration expense, we will not</p> <p>23 claim against LBL and, as I mentioned, we kept our</p> <p>24 claim as an unsecured claim, and we will make no</p> <p>25 claim after that period against LBL.</p>
<p style="text-align: right;">111</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 MR. TULCHIN: George, do me a</p> <p>3 favour. The questioner had not finished his</p> <p>4 question when you started talking. Let's try to</p> <p>5 keep the questions and answers separate. It will</p> <p>6 make for a better transcript.</p> <p>7 A. Okay.</p> <p>8 BY MR. ISAKOFF:</p> <p>9 Q. What does "long stop date" mean, as</p> <p>10 you use it here in paragraph 2?</p> <p>11 A. It is probably the date, the</p> <p>12 maximum date, that we would allow to agree the</p> <p>13 claim with Alvarez & Marsal.</p> <p>14 Q. What does bond holder consent have</p> <p>15 to do with the claim with Alvarez & Marsal?</p> <p>16 A. No, they are not linked in any form</p> <p>17 or shape.</p> <p>18 Q. I am talking solely about paragraph</p> <p>19 2 here, where it says: "We will work to obtain</p> <p>20 Bond Holder Consent to the Surrender by end</p> <p>21 October ..."</p> <p>22 A. Okay.</p> <p>23 Q. "... (long stop date end November)."</p> <p>24 A. I am sorry.</p> <p>25 Q. " I am trying to understand what</p>	<p style="text-align: right;">113</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Q. If you would make no claim in that</p> <p>3 period for past September 30 against LBL, would</p> <p>4 that not preclude a claim in the range of</p> <p>5 £250 million against LBL?</p> <p>6 A. Number one, that was our position</p> <p>7 here. Then, in the discussions with LBHI, that</p> <p>8 was the condition that was imposed by LBHI. It</p> <p>9 was not the condition created by us.</p> <p>10 Q. Okay.</p> <p>11 A. The 250 million could have been a</p> <p>12 surrender premium and in -- probably it was</p> <p>13 somehow irrelevant to LBL because they had no</p> <p>14 money.</p> <p>15 Q. But, as I understand what you have</p> <p>16 written here, you are telling LBL that you will</p> <p>17 make no claim of anything like £250 million, but</p> <p>18 that only came up later because of what LBHI was</p> <p>19 telling you it wanted?</p> <p>20 A. Correct. At this point we had no</p> <p>21 idea that LBHI would impose that conditions. If</p> <p>22 we knew that, that would not be here, that was</p> <p>23 based on information we had at the time from LBHI.</p> <p>24 Q. Okay. The next paragraph says:</p> <p>25 "Canary Wharf will contribute £5m towards a</p>


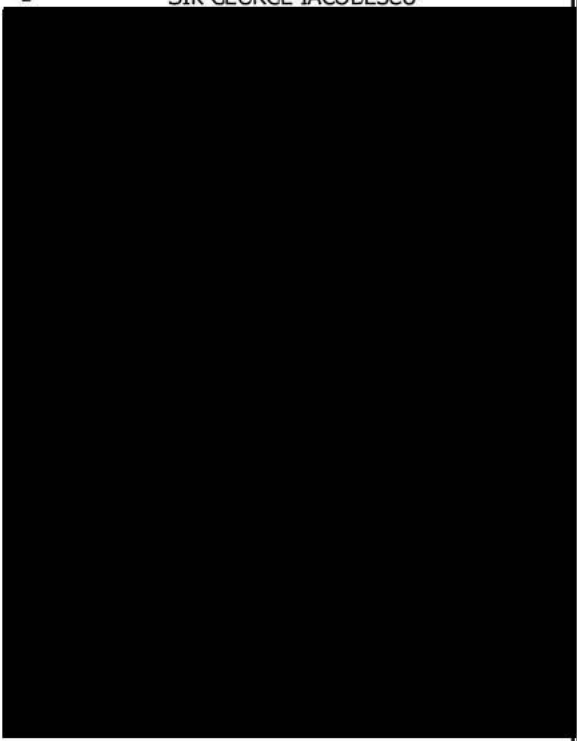
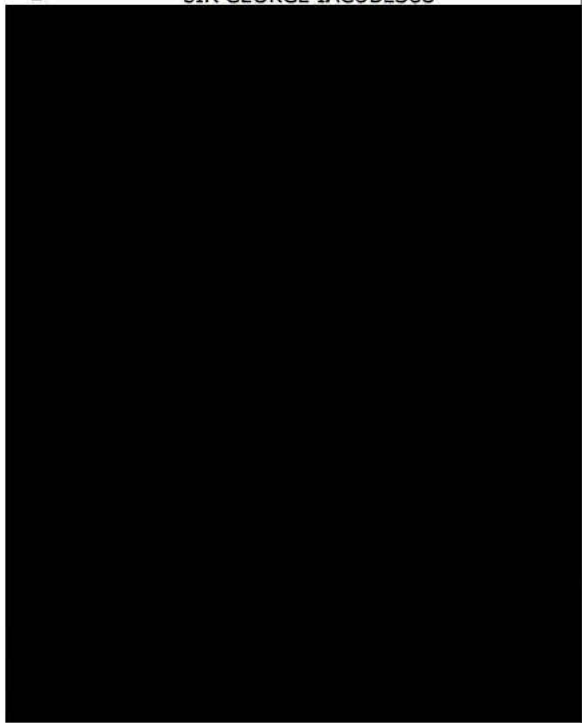
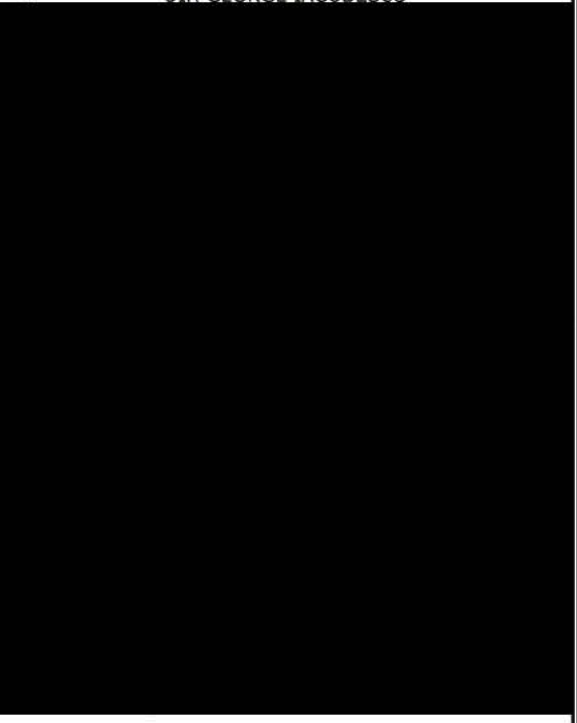
29 (Pages 110 to 113)

<p style="text-align: right;">126</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Q. Just -- so this is a 1 million</p> <p>3 square feet this 25 Bank Street?</p> <p>4 A. 1 million 40, yes.</p> <p>5 Q. How many floors?</p> <p>6 A. 31 floors.</p> <p>7 Q. About 35,000 square feet per floor?</p> <p>8 A. Actually, the floors at the base</p> <p>9 are -- you have eight or nine floors of 70,000</p> <p>10 square feet. I should have brought you a picture</p> <p>11 to see, but the fact is that we built the trading</p> <p>12 floors over a running train, over you probably</p> <p>13 know what the DLR is, we built it over the DLR</p> <p>14 with the DLR running, in order to satisfy the</p> <p>15 customer requirement. These are the biggest</p> <p>16 trading floors in London, so that tells you a</p> <p>17 little bit why you want a single tenant and, by a</p> <p>18 miracle in a way, JP Morgan looked for that size,</p> <p>19 because there is no other tenant.</p> <p>20 Q. The next paragraph says ----</p> <p>21 A. Except of course LBHI -- I am</p> <p>22 sorry.</p> <p>23 Q. Jokes don't come through on the</p> <p>24 record, you know.</p> <p>25 A. Okay.</p>	<p style="text-align: right;">128</p> <p>1 SIR GEORGE IACOBESCU</p> 
<p style="text-align: right;">127</p> <p>1 SIR GEORGE IACOBESCU</p> 	<p style="text-align: right;">129</p> <p>1 SIR GEORGE IACOBESCU</p> 

33 (Pages 126 to 129)

<p style="text-align: right;">142</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 not know the date.</p> <p>3 Q. Of 2010?</p> <p>4 A. Yes.</p> <p>5 Q. Before the forfeiture letter that</p> <p>6 we looked at earlier, of December 3?</p> <p>7 A. I don't know exactly but I am sure</p> <p>8 there are papers.</p> 	<p style="text-align: right;">144</p> <p>1 SIR GEORGE IACOBESCU</p> 
<p style="text-align: right;">143</p> <p>1 SIR GEORGE IACOBESCU</p> 	<p style="text-align: right;">145</p> <p>1 SIR GEORGE IACOBESCU</p> 

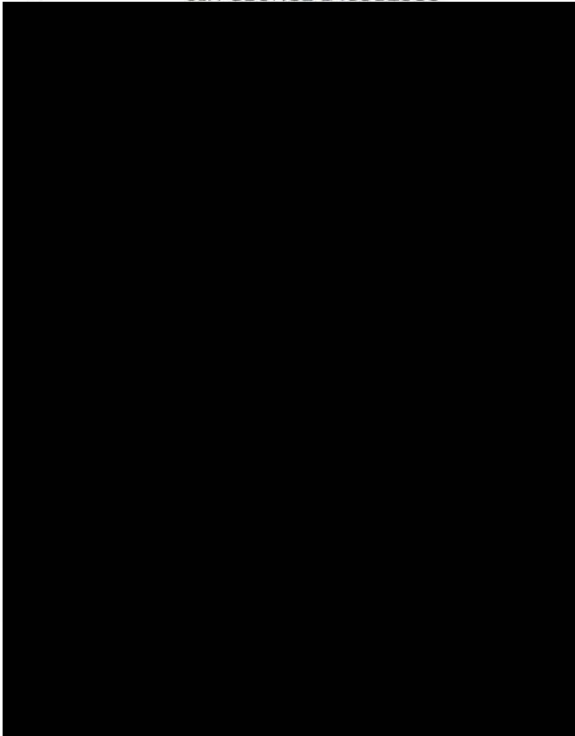
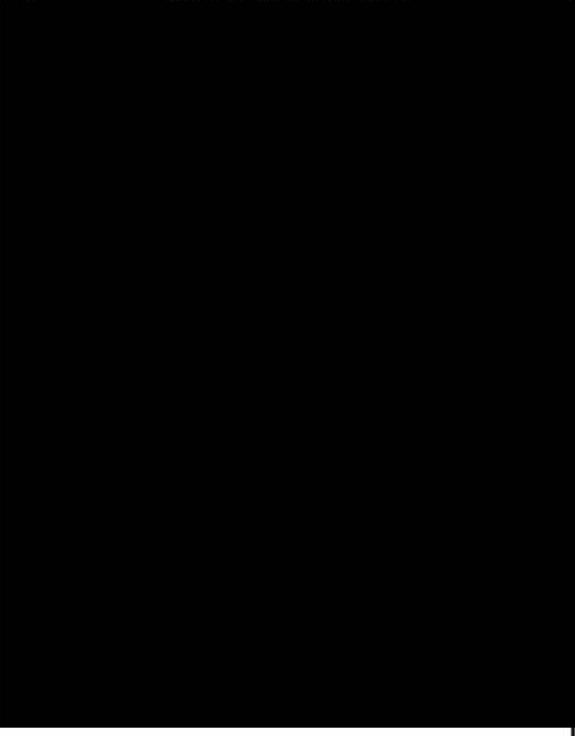
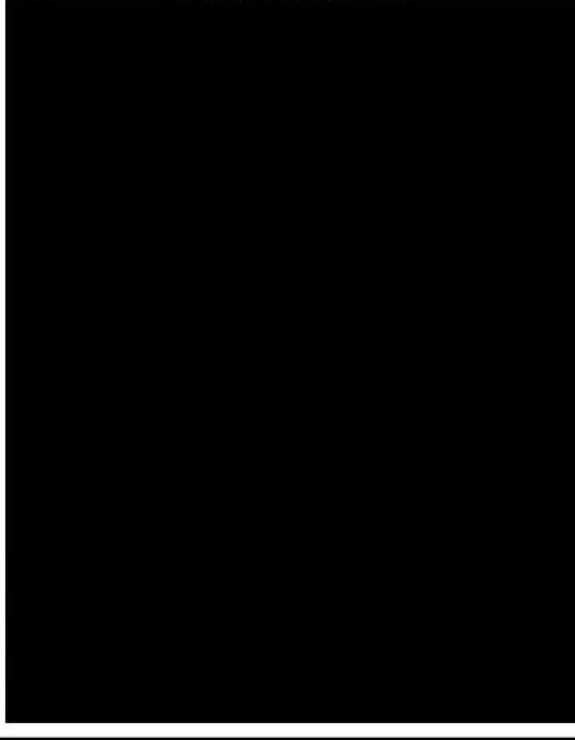
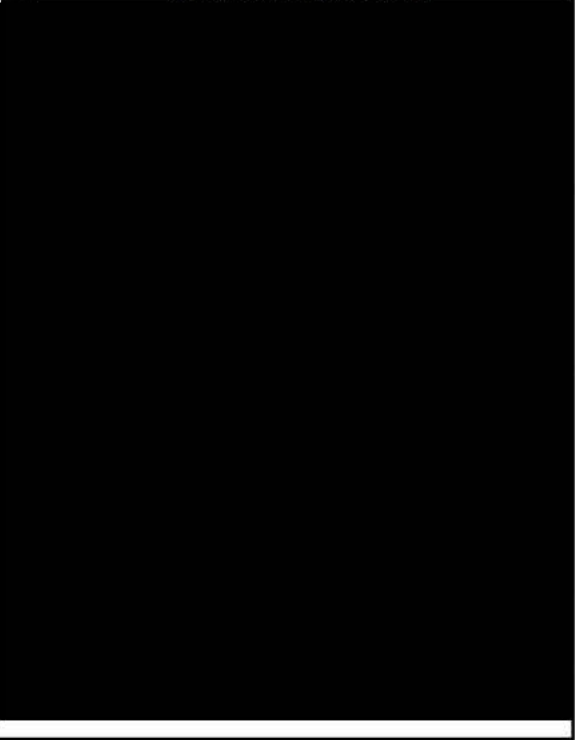
37 (Pages 142 to 145)

<p style="text-align: right;">146</p> <p>1 SIR GEORGE IACOBESCU 2 I meant pounds. Sorry. 3 BY MR. ISAKOFF: 4 Q. £100 million is more than \$100 5 million? 6 A. It is about twice, 55 today. 7 Q. Do you know what it was back in 8 October 2010? 9 A. No, but I think the rate of 10 exchange we used in everything was 1.6 or 11 something, I think so.</p> 	<p style="text-align: right;">148</p> <p>1 SIR GEORGE IACOBESCU</p> 
<p style="text-align: right;">147</p> <p>1 SIR GEORGE IACOBESCU</p> 	<p style="text-align: right;">149</p> <p>1 SIR GEORGE IACOBESCU</p> 

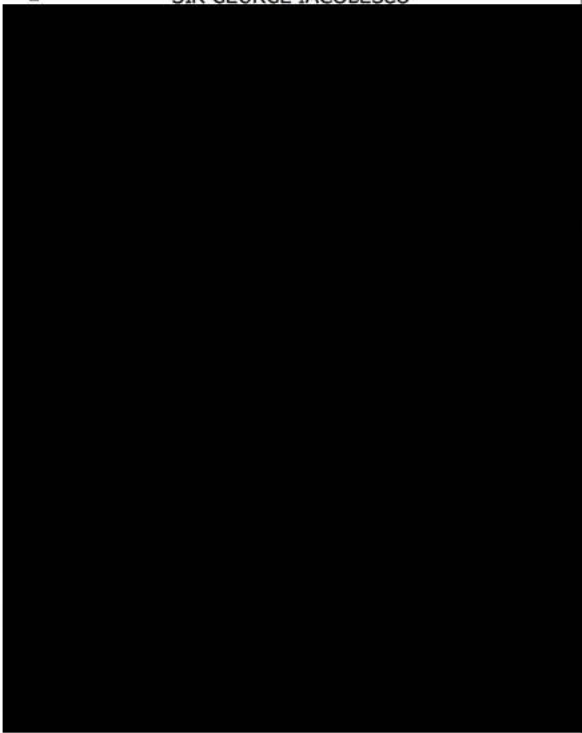

38 (Pages 146 to 149)

<div>170</div> <div>1 SIR GEORGE IACOBESCU</div> <div></div>	<div>172</div> <div>1 SIR GEORGE IACOBESCU</div> <div></div>
<div>171</div> <div>1 SIR GEORGE IACOBESCU</div> <div></div>	<div>173</div> <div>1 SIR GEORGE IACOBESCU</div> <div></div>

44 (Pages 170 to 173)

<p>174</p> <p>1 SIR GEORGE IACOBESCU</p> 	<p>176</p> <p>1 SIR GEORGE IACOBESCU</p> 
<p>175</p> <p>1 SIR GEORGE IACOBESCU</p> 	<p>177</p> <p>1 SIR GEORGE IACOBESCU</p> 

45 (Pages 174 to 177)

<p style="text-align: right;">190</p> <p>1 SIR GEORGE IACOBESCU</p> 	<p style="text-align: right;">192</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. Absolutely not. We went back and</p> <p>3 we put it in based on the stip from LBHI, at which</p> <p>4 point LBL said, "Absolutely not, you want the</p> <p>5 asset, it is zero", so that is the conundrum for</p> <p>6 us.</p> <p>7 Q. When you tendered this, when you,</p> <p>8 meaning Canary Wharf, tendered this to LBL you</p> <p>9 knew that it was unacceptable, correct?</p> <p>10 A. Not 100%. Not 100%, because they</p> <p>11 said that they are comfortable with a claim of</p> <p>12 250 million. But then we thought that if they are</p> <p>13 comfortable with a claim for 250 million against</p> <p>14 LBHI they will be comfortable with a repeat of the</p> <p>15 same claim in that document and obviously they</p> <p>16 said, "No, absolutely not".</p> <p>17 Q. But you knew at the time -- you,</p> <p>18 Canary Wharf, knew at the time that this draft was</p> <p>19 sent to LBL and its administrators for its</p> <p>20 consideration, that this was not likely to be</p> <p>21 accepted by LBL, correct?</p> <p>22 A. It was not likely but we figured</p> <p>23 that for the sake of achieving the settlement they</p> <p>24 would agree to it. Obviously which they did not,</p> <p>25 and we have done that as a result of the LBHI</p>
<p style="text-align: right;">191</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 </p> <p>3 (Exhibit 34 was marked for identification)</p> <p>4 Q. We have marked as exhibit 34 an</p> <p>5 e-mail with attachment, Bates stamped CW 775 to</p> <p>6 806. Mr. Iacobescu, have you seen this before?</p> <p>7 A. I have not seen it in that form but</p> <p>8 I am fully aware of it.</p> <p>9 Q. You have not seen this document</p> <p>10 before?</p> <p>11 A. No, but I am aware of it. I would</p> <p>12 have been aware of that at the time.</p> <p>13 Q. Okay. Sarah Dawson is a lawyer at</p> <p>14 Clifford Chance representing Canary Wharf?</p> <p>15 A. Yes.</p> <p>16 Q. She is writing to Beatrice Taylor,</p> <p>17 who is a lawyer at Linklaters representing the</p> <p>18 administrators and LBL, right?</p> <p>19 A. Yes.</p> <p>20 Q. She is tendering a deed that calls</p> <p>21 for LBL and its administrators to acknowledge a</p> <p>22 valid claim of Canary Wharf against LBL of</p> <p>23 £262.5 million, correct?</p> <p>24 A. Correct.</p> <p>25 Q. Was that acceptable to LBL?</p>	<p style="text-align: right;">193</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 request.</p> <p>3 Q. You told LBHI that you had sent</p> <p>4 draft surrender documentation to LBL's</p> <p>5 administrators that included an acknowledgment of</p> <p>6 a claim against LBL for £262.5 million, correct?</p> <p>7 A. After we received the stipulation</p> <p>8 I assumed.</p> <p>9 Q. You told them that right after</p> <p>10 Ms. Dawson sent this draft deed to Beatrice</p> <p>11 Taylor, correct, right after?</p> <p>12 A. I am not sure what you are asking</p> <p>13 me and I am not sure of the ----</p> <p>14 (Exhibit 35 was marked for identification)</p> <p>15 Q. We have marked as exhibit 35 CW</p> <p>16 11679 to 80. It is some e-mails which you are</p> <p>17 shown, Mr. Iacobescu. Do you see that?</p> <p>18 A. Yes.</p> <p>19 Q. If you will look at the bottom</p> <p>20 e-mail on the first page from Pamela Kendall to</p> <p>21 Dan Ehrmann, copying you and others, this is sent</p> <p>22 at 2.17 p.m. ----</p> <p>23 A. Yes.</p> <p>24 Q. -- New York time?</p> <p>25 A. Yes.</p>

49 (Pages 190 to 193)

<p style="text-align: right;">238</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 Canary Wharf?</p> <p>3 A. I think it does, yes.</p> <p>4 MR. TULCHIN: Well, make sure you</p> <p>5 look.</p> <p>6 A. Yes.</p> <p>7 BY MR. ISAKOFF:</p> <p>8 Q. Okay, and it has it in a number of</p> <p>9 different places, correct?</p> <p>10 A. Yes.</p> <p>11 Q. Would you turn please to page 35 of</p> <p>12 the document, Bates stamped CW 5319. If you look</p> <p>13 towards the bottom of that page, 11.3.2, it says:</p> <p>14 "The Seller" and the seller is Canary Wharf,</p> <p>15 correct?</p> <p>16 A. Yes.</p> <p>17 Q. "...hereby warrants that no notice</p> <p>18 or demand has been served on or given to LBHI</p> <p>19 pursuant paragraph 7(a) of Schedule 4 to the</p> <p>20 Lehman Lease." Do you see that?</p> <p>21 A. Yes.</p> <p>22 Q. Was that warranty true at the time?</p> <p>23 A. I believe so.</p> <p>24 MR. ISAKOFF: All right, I have no</p> <p>25 further questions.</p>	<p style="text-align: right;">240</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 top company, as I mentioned to Mr. Isakoff. We</p> <p>3 always asked for the top company in any</p> <p>4 transaction that we do. We have done the same</p> <p>5 thing with Credit Suisse, or Morgan Stanley, or</p> <p>6 CitiGroup, except the world headquarters of banks</p> <p>7 like Barclays, where the parent company is on the</p> <p>8 lease, but we always ask for an indemnity, because</p> <p>9 the need is to have an uninterrupted cash flow</p> <p>10 regardless of anything that goes wrong with the</p> <p>11 tenant.</p> <p>12 Q. I am sorry, with whom? You said,</p> <p>13 "Regardless of anything that goes wrong with..."</p> <p>14 A. With the tenant.</p> <p>15 Q. Okay. I didn't hear you.</p> <p>16 A. We were aware of the Lehman's</p> <p>17 problems in 1998 with the Asian crisis, with the</p> <p>18 Russian crisis, so we were a little bit</p> <p>19 circumspect but it was a very, very good tenant,</p> <p>20 exceptionally good tenant, and we would not have</p> <p>21 entered into any, any lease agreement unless we</p> <p>22 had the parent company indemnity, that they would</p> <p>23 come through with. And, by the way, I do not</p> <p>24 recall at any point when anybody in LBHI, be it</p> <p>25 LBL or LBHI have objected to the meaning of what</p>
<p style="text-align: right;">239</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 REDIRECT BY MR. TULCHIN</p> <p>3 By MR. TULCHIN:</p> <p>4 Q. Mr. Iacobescu, I am going to have a</p> <p>5 few questions.</p> <p>6 A. Yes.</p> <p>7 Q. Going back to the time when the</p> <p>8 lease was entered into, the lease with LBL, what</p> <p>9 did you understand, as the CEO of Canary Wharf,</p> <p>10 that LBHI had agreed to do in connection with the</p> <p>11 obligations of LBL in the lease?</p> <p>12 MR. ISAKOFF: Objection. Calls for</p> <p>13 legal conclusion.</p> <p>14 BY MR. TULCHIN:</p> <p>15 Q. You can go ahead and answer.</p> <p>16 A. What I asked from day one, from the</p> <p>17 first day that we started negotiating the deal</p> <p>18 with Jeremy Isaac, who is the chief executive of</p> <p>19 LBL, Frank Bartolotta, who was LBHI, and Mark</p> <p>20 Marcucci, who is the global head of real estate,</p> <p>21 is that we should have an absolute solid</p> <p>22 guarantee, come hell or high water, that the rent</p> <p>23 will flow over the next 30 years and, as a matter</p> <p>24 of fact, we always thought that we are dealing</p> <p>25 with LBHI. We needed -- we always asked for the</p>	<p style="text-align: right;">241</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 we asked for, of the indemnity.</p> <p>3 Q. And you understand when the deal</p> <p>4 was done that you had obtained what you were</p> <p>5 seeking?</p> <p>6 MR. ISAKOFF: Objection. Leading</p> <p>7 and calls for a legal conclusion.</p> <p>8 A. My understanding is that this is</p> <p>9 what we asked, this is what we got and, as an</p> <p>10 additional thing, one of the reasons that we were</p> <p>11 very strict on this requirements is that because</p> <p>12 the building also had to be in the securitization,</p> <p>13 and a 30 years lease in the securitization, when</p> <p>14 we put Lehman in the securitization, the income</p> <p>15 from Lehman was matched against bonds that would</p> <p>16 expire in 2033, so we would not match bonds with</p> <p>17 something that we didn't think was rock solid.</p> <p>18 BY MR. TULCHIN:</p> <p>19 Q. I want to ask you, Mr. Iacobescu</p> <p>20 please, to cast your attention to September 30th</p> <p>21 2010 and you recall giving some testimony about</p> <p>22 the events of that day?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. What consequences would</p> <p>25 there be, as far as you understood, for the</p>

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<p style="text-align: right;">246</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 A. It says very clear that: "All</p> <p>3 these points ... will become effective on</p> <p>4 completion of surrender."</p> <p>5 Q. Now, Mr. Iacobescu, a couple of</p> <p>6 questions if I may, about the economics of what</p> <p>7 happened in 2010. There came a point when LBL</p> <p>8 stopped paying rent; is that right?</p> <p>9 A. Correct.</p> <p>10 Q. What is your recollection as to</p> <p>11 when that was?</p> <p>12 A. End of March 2010.</p> <p>13 Q. As of that time, roughly speaking,</p> <p>14 how many years were left on the LBL lease?</p> <p>15 A. 23 years.</p> <p>16 Q. What was LBL's total obligation to</p> <p>17 pay rent and other charges for the duration, the</p> <p>18 unexpired portion of the lease?</p> <p>19 MR. ISAKOFF: Object to form.</p> <p>20 BY MR. TULCHIN:</p> <p>21 Q. Approximately?</p> <p>22 MR. ISAKOFF: The same objection.</p> <p>23 A. I cannot do the calculation</p> <p>24 mentally, because it is all a matter of the rate</p> <p>25 of discount, but the value of if building in 2010</p>	<p style="text-align: right;">248</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 December 20th 2010?</p> <p>3 MR. ISAKOFF: I am going to object</p> <p>4 on the ground that this goes beyond the scope of</p> <p>5 discovery in terms of damages, but go ahead, but</p> <p>6 I object.</p> <p>7 A. I think it is simple arithmetics,</p> <p>8 the value of the building. The building was</p> <p>9 valued in our books, which is very important, in</p> <p>10 our books, in 2007/2008 at 900 million and that</p> <p>11 valuation was based on the rent payable at the</p> <p>12 time. Using the same valuation in 2010 would be</p> <p>13 the £1 billion 50. The recovery, or the part</p> <p>14 mitigation -- and I think we have done exactly</p> <p>15 what we were supposed to do. This is a what a</p> <p>16 responsible company, keeping, looking at our</p> <p>17 duties to shareholders and to the bond holders, we</p> <p>18 mitigated as much as we could. And the sale,</p> <p>19 depending what figures you want to take, if you</p> <p>20 want to take the 2010 figures, the sale left us</p> <p>21 with over 550 million short, £550 million short.</p> <p>22 MR. TULCHIN: Can I ask the Court</p> <p>23 Reporter please to mark as exhibit 42 a one page</p> <p>24 document which is a photocopy of a page from a</p> <p>25 paper.</p>
<p style="text-align: right;">247</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 the value of the rent was 57.5 million. That is</p> <p>3 the value contracted 57.5 million. At a 5.5%</p> <p>4 yield that would be about £1 billion 50 in pounds</p> <p>5 or \$1.6 billion in dollars.</p> <p>6 BY MR. TULCHIN:</p> <p>7 Q. And is that meant to reflect the</p> <p>8 present value of the stream of income?</p> <p>9 A. That would be ----</p> <p>10 MR. ISAKOFF: Object to form and</p> <p>11 leading.</p> <p>12 A. That would be the yield that the</p> <p>13 building would be valued in the company's books</p> <p>14 and that would be the yield -- a very conservative</p> <p>15 yield that the building could be sold on that date</p> <p>16 to an investor, because it was probably the best</p> <p>17 -- I mean the most valuable leases are the leases</p> <p>18 with a fixed or an RPI increase, and that is</p> <p>19 exactly what we had there for the first ten years.</p> <p>20 BY MR. TULCHIN:</p> <p>21 Q. To borrow a page from the book that</p> <p>22 was used on direct examination, let me ask you,</p> <p>23 how does that number of £1 billion 50 million</p> <p>24 compare to the proceeds of the transaction that</p> <p>25 you entered into with JP Morgan on or about</p>	<p style="text-align: right;">249</p> <p>1 SIR GEORGE IACOBESCU</p> <p>2 (Exhibit 42 was marked for identification)</p> <p>3 Q. Mr. Iacobescu take a moment if you</p> <p>4 will and, when you are ready, just tell me whether</p> <p>5 you recall ever seeing this before?</p> <p>6 A. I probably did in the Financial</p> <p>7 Times at the time, yes. I would be alerted because</p> <p>8 it was something that would breach our</p> <p>9 confidentiality, and the first thought would be to</p> <p>10 make sure that it does not come from anybody in</p> <p>11 Canary Wharf.</p> <p>12 Q. Do you recall that this article on</p> <p>13 exhibit 42 about JP Morgan appeared in the</p> <p>14 Financial Times on Wednesday, November 24, 2010?</p> <p>15 A. Yes, that is.</p> <p>16 MR. TULCHIN: I have no other</p> <p>17 questions at this time.</p> <p>18 A. Thank you.</p> <p>19 MR. ISAKOFF: I have a few.</p> <p>20</p> <p>21 FURTHER DIRECT QUESTIONS BY MR. ISAKOFF</p> <p>22</p> <p>23 BY MR. ISAKOFF:</p> <p>24 Q. You were asked about what your</p> <p>25 understanding about what LBHI agreed to do, in</p>

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